



**COMPANY**

|                     |                 |
|---------------------|-----------------|
| Country             | United Kingdom  |
| Number of Employees | 32'692          |
| Web                 | www.pearson.com |

**Share**

|                  |       |
|------------------|-------|
| Market cap (mil) | 5'672 |
| Currency         | GBp   |
| High 52 week     | 808.5 |
| Low 52 week      | 556.5 |
| Last Price       | 701.0 |

**Key Data**                      2007                      2008E

|             |       |       |
|-------------|-------|-------|
| Sales (mil) | 4'162 | 4'542 |
| EPS         | 0.49  | 0.53  |
| P/E Ratio   | 17.52 | 14.34 |

Source: Bloomberg / September 03, 2008

**Sales in**

|           |    |
|-----------|----|
| Alcohol   | No |
| Armaments | No |
| Firearms  | No |
| Tobacco   | No |
| Gambling  | No |

Source: EIRIS, SAM Research

**COMPANY DESCRIPTION**

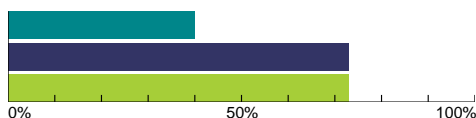
Pearson plc, headquartered in London is a major international publishing company with its operations in the education, business information and consumer publishing markets. The company operates in 65 countries worldwide. Its principal activities are divided into three divisions: Financial Times Group (16 percent of revenues), which provides business information, analysis and services, and publishes specialist information on the retail, personal and institutional finance industries; Penguin Group (20 percent of revenues), which publishes fiction and non-fiction titles; and Pearson Education (64 percent of revenues), which publishes textbooks, multimedia programs and online services, and produces software that powers the management of schools. Pearson is listed on the London (PSON) and New York (PSO) Stock Exchanges.

**SUSTAINABILITY PERFORMANCE**

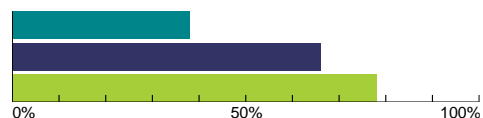
The sustainability performance of Pearson in 2008 has helped the company maintain its position in the media sector. Such performance reveals the company's inherent people and stakeholder management capabilities. The company focuses on increasing its international business in emerging and developing markets. In addition, the company shows a clear commitment towards its employees and their overall development. The company is also involved in the growth of local communities and is a strong promoter of industry co-operation to set common supplier standards. It gives equal importance to social, environmental and ethical risks and incorporates their evaluation and mitigation in general risk management framework. It is progressing on environmental management by starting an action plan to become climate neutral by the end of 2009, and is improving on the quality and quantity of environment data reporting and achieving the targets to reduce the consumption of electricity and gas. The environmental considerations are also being incorporated into its paper purchasing and sourcing policy, according to which the company sources paper, manufactured using timber from certified and well managed forests. Pearson has also invested in a new technology to provide paperless opportunities for its customers and readers to access its products.

**SUSTAINABILITY SCORES**

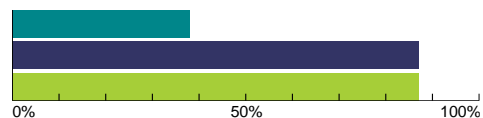
**Total Score**



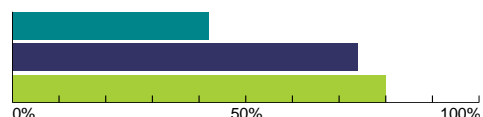
**Economic Dimension**



**Environmental Dimension**



**Social Dimension**



■ DJSI sector average on a global basis  
■ Pearson Plc.  
■ Best company on a global basis within DJSI sector



For information on assessment criteria, visit [www.sustainability-indexes.com](http://www.sustainability-indexes.com)

«Corporate Sustainability is a business approach to create long term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments.»

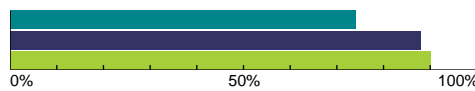
**INDUSTRY DRIVING FORCES**

Innovative thinking, content, technology, channel management and emerging markets and, above all, a talented, creative and motivated workforce are the key drivers for a highly competitive publishing sector. Content is the back bone of the publishing industry and companies that invest steadily in unique, valuable publishing content and keep replenishing it have been the frontrunners. Digitalising and electronic presentation of content is attracting more importance now than ever. Technology has been another key driver since better technology has not only enhanced the quality of print but also made the process of publishing shorter. Channel management is increasingly playing an important role in the emerging markets as new retail stores devoted to books are coming up. This has resulted in significant upselling in these markets. Developing economies such as India and China, where literacy levels are going up, are yet another driver for the industry and present huge market and growth potential. Social aspects such as non-discrimination of the workforce and cultural sensitivity toward clients and communities remain at the center of public attention and scrutiny. Given the power of media companies to shape public opinion, accountability, transparency and ethical ways of advertising are also important aspects.

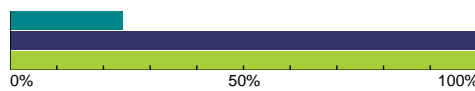
**COMPANY PERFORMANCE FOR SELECTED CRITERIA**

**ECONOMIC**

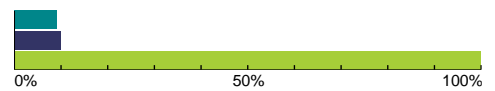
**Corporate Governance**



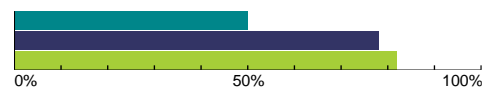
**Lobbying Activities**



**Customer Relationship Management**

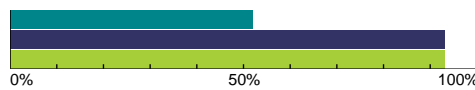


**Risk & Crisis Management**

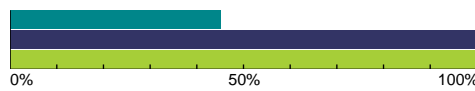


**ENVIRONMENTAL**

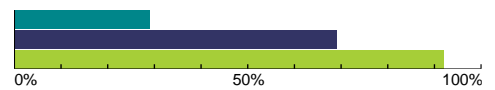
**Environmental Policy / Management**



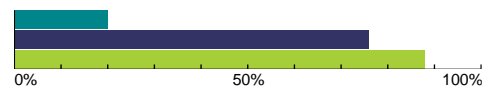
**Hazardous substances**



**Environmental Reporting**

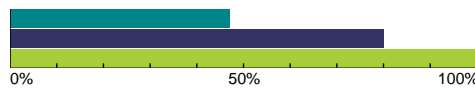


**Operational Eco-Efficiency**

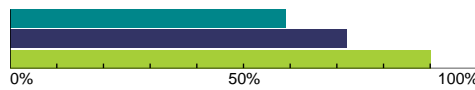


**SOCIAL**

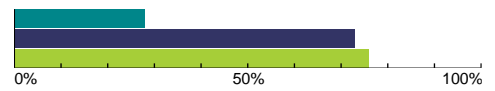
**Code of Ethics for Advertising**



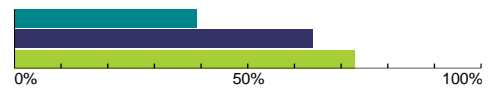
**Labor Practice Indicators**



**Human Capital Development**



**Talent Attraction & Retention**



■ DJSI sector average on a global basis

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